

GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI



The Collector of Customs, Model Customs Collectories (Appraisement / PaCCS / Port Qaslin / Preventive), Karachi / Lahore / Multan / Islamabad / Sambrial (Sialkot) / Faisalabad / Hyderabad / Quetta / Peshawar / Gwadar.

DETERMINATION OF CUSTOMS VALUES OF BRANDED FOOTWEAR OF
THAILAND ORIGIN UNDER SECTION 25-A OF CUSTOMS ACT, 1969.

(VALUATION RULING NO.531/2013)

No. Misc/06/2009-V

Dated: 07th January, 2013

In exercise of the powers conferred under section 25-A of the Customs Act, 1969, the customs values of branded footwear of Thailand origin are determined as follows:-

1. Description of the valuation issue Since earlier there was no valuation ruling to cover branded footwear of Thailand origin, complaints were received in the Directorate General of Customs Valuation that different importers were indulging in undervaluation of branded footwear imported from Thailand causing heavy revenue losses. This prompted an investigation to determine customs values of the goods in question.
2. Methodology adopted to determine customs values Valuation methods given in section 25 of the Customs Act, 1969 were examined to ascertain which methods were applicable to the valuation issue in hand in terms of section 25A (1) of the Act. Transactional value method provided in section 25(1) was found inapplicable because sufficient information with respect to adjustments to be made to the transactional value in terms of section 25(2) was not available. Identical & similar goods value methods provided in section 25(3) & (6) were examined for applicability to the valuation issue in the instant case. These methods furnished unreliable values and were not found applicable. Since the manufacturers' costs of producing the goods in question in the country of exportation were not available, Computed Value Method as provided in section 25(8) could not be applied for valuation of the aforesaid goods. Deductive Value Method under Section 25(7) was therefore the methodology adopted to determine customs values for branded footwear of Thailand origin in this case.



3. Evidence used to determine custom values . . . Meeting was held with stakeholders on 30-08-2012 and 04-09-2012. A market survey was conducted to ascertain the prices of branded footwear of Thailand origin hereinafter specified prevailing in the local markets. Deductive Value Method was used to determine the following customs values for these goods.

4. Customs values determined *Branded footwear of Thailand Origin* hereinafter specified shall be assessed to duty / taxes on the customs values mentioned below:-

S.No.	Description of goods.	PCT Code	Proposed PCT for WebOC	Customs values (US\$ per pair)
(1)	(2)	(3)	(4)	(5)
1.	Artificial leather Gents Sandals (Aerosoft) and similar other brand Size 39-45	6403.9900 6404.1900	6403.9900.9900 6403.1900.1900	US\$ 1.60/pair
2.	Artificial leather Gents Slippers (Aerosoft) and similar other brand Size 39-45	6403.9900 6404.1900	6403.9900.9900 6403.1900.1900	US\$ 1.25/pair
3.	Artificial leather Ladies Slippers (Aerosoft) and similar other brand Size 35-42	6403.1900 6403.9900	6403.9900.9900 6403.1900.1900	US\$ 1.10/pair
4.	Artificial leather Ladies Sandals (Aerosoft) and similar other brand Size 35-42	6403.9900 6404.1900	6403.9900.9900 6403.1900.1900	US\$ 1.65/pair
5.	Artificial leather Gents Shoes (Aerosoft) and similar other brand Size 39-45	6403.9900 6403.9900	6403.9900.9900 6403.9900.9900	US\$ 4.80/pair
6.	Artificial leather Ladies shoes (Aerosoft) and similar other brand Size 35-42	6403.9900 6403.1900	6403.9900.9900 6403.1900.1900	US\$ 3.00/pair
7.	Artificial leather Boys & Girls Sandals (Aerosoft) and similar other brand Size 22-38	6403.9900 6403.1900	6403.9900.9900 6403.1900.1900	US\$ 0.75/pair



8.	Artificial leather Boys & Girls Slippers (Aerosoft) and similar other brand Size 22-38	6403.9900 6403.1900	6403.9900, 9900 6403.1900, 1900	US\$ 0.60/pair
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5. Validity of this Valuation Ruling The customs values determined in this Ruling shall continue to be the applicable customs values for the aforementioned goods till the time this Valuation Ruling is rescinded or revised by the competent authority in terms of section 25A of the Customs Act, 1969. Moreover, this Valuation Ruling applies to cases where declared values are less than the customs values determined in the Ruling. In cases where declared values are more than the customs values determined in the Ruling, or the differential between airfreight and sea freight, when taken into account, raises the customs values above those determined in this ruling, the concerned assessing officer shall apply such higher values in terms of section 25(I) of the Customs Act, 1969.
6. Remedies against this Valuation Ruling The Customs Act, 1969 provides efficacious alternate remedies against this Ruling. Section 25-D provides that any person aggrieved of the Ruling may file a revision petition within 30 days from the date of this Ruling before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi. An appeal against the decision in revision of the Director General can be filed within 60 days of the decision before the Customs Appellant Tribunal, under section 194-A (i) (e) of the Customs Act, 1969.

(Dr.Zulfiqar Ahmad Malik)
Director

Copy for information to:-

1. S.A TO Chairman, F.B.R., Islamabad.
2. Member (Customs), F.B.R., Islamabad.
3. Chief Collectors of Customs (South), Custom House, Karachi.
4. Chief Collectors of Customs (North), Custom House, Islamabad.
5. Director General, Intelligence and Investigation, Islamabad.
6. Director General, Post Clearance Audit, Islamabad.
7. Director General Internal Audit, (Customs), Islamabad.
8. Director General, Customs Valuation, Custom House, Karachi.
9. Director, Intelligence and Investigation, Karachi / Lahore / Islamabad.
10. The Project Director WebOC, 11th Floor, Custom House, Karachi.
11. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi for uploading in One Customs & WebOC database on the date of issue of this ruling.
12. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
13. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
14. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
15. Karachi Customs Agents Group, Bohri Road, Karachi.
16. Law Section, Customs Valuation, Custom House, Karachi.
17. Guard File.